

## Carrier Agreement- Draft



This Agreement ("Agreement") is made and entered into by and between State of Montana (Def) ("Customer") and United Parcel Service Inc., an Ohio Company ("UPS").

UPS will provide the pickup and delivery services ("Services") as set forth below subject to the terms of this Agreement. These Services will be provided with the incentives ("Incentives") as also set forth below. These Incentives shall only be available to the locations and account numbers identified in **Addendum A**. Account numbers of Customer and its affiliates, each of which is more than fifty percent (50.0%) owned by Customer, may be added or deleted only by mutual written agreement of Customer and UPS and require seven (7) business days notice to UPS to become effective. Customer is prohibited from reselling or offering Incentives to any other party without the prior written consent of UPS and failure to comply with this prohibition may result in immediate cancellation of this Agreement.

Customer acknowledges and agrees that the Incentives and the minimum rates in **Addendum B** are based on and derived from the most recently published UPS list rates available at [www.ups.com](http://www.ups.com) and are subject to change based on changes to such list rates. Each eligible package (or shipment) will receive its applicable Incentive for the term of this Agreement. Incentives are applied on a weekly basis unless otherwise specified. Incentives shall be applied to prepaid outbound shipments unless otherwise noted. This Agreement will be subject to periodic review by UPS for Customer compliance.

Customer agrees to supply the UPS Service Provider with a hard copy summary manifest at the time that the packages are tendered to UPS for shipment and provide UPS with Timely Upload of electronic Package Level Detail ("PLD") in a form acceptable to UPS. PLD includes, but is not limited to, consignee's full name, complete delivery address, package weight and zone. Timely Upload is defined as the electronic transmission of PLD to UPS at the time the packages are tendered to UPS. Customer agrees to provide smart labels on all packages tendered to UPS. A smart label, as defined herein and described in the current UPS Guide to Labeling, which may be updated from time to time by UPS, includes, but is not limited to, a MaxiCode, Postal Bar Code, current UPS Routing Code, appropriate UPS Service Icon and a UPS 1Z Tracking Number Bar Code. Customer further agrees that all shipping locations will use a UPS OnLine or OnLine compatible shipping solution that is approved and authorized by UPS as such.

Customer agrees to pay for all shipments in full within the time period required by UPS.

All Services provided by UPS shall be pursuant to the UPS Rate and Service Guide and UPS Tariff in effect at the time of shipping, both of which are incorporated herein by reference and which may be subject to change without notice.

Customer and UPS agree to maintain the confidentiality of this Agreement including its rates, terms and incentives ("Confidential Information") unless disclosure is required by law. Customer agrees not to post or publicly display this Confidential Information.

The Incentives will remain in effect for 157 weeks. At the end of this Agreement, UPS in its sole discretion, reserves the right to extend the terms of this Agreement on a month-to-month basis. Notwithstanding, UPS and Customer agree that either party may terminate this Agreement upon 30 calendar days prior written notice.

This offer is void if not accepted by December 27, 2007 ("Deadline"). Customer may accept Agreement by providing a duly signed copy of this Agreement to UPS by the Deadline. This Agreement supersedes all other agreements between the Customer and UPS regarding these Services. This Agreement is hereby signed and executed by authorized representatives of both parties.

## Addendum A- Draft List of Account Numbers



State of Montana (Def)'s UPS accounts identified below shall be included in the agreement between United Parcel Service Inc. (Carrier) and State of Montana (Def) (Account):

The following accounts in Section 1 shall have their activity committed and are eligible for incentives as specified in Addendum B:

<b>ACCOUNT</b>	<b>NAME AND ADDRESS</b>	<b>Commodity Tier **</b>
Section 1:		
0000A6245W	TECHRANCH 910 TECHNOLOGY BLVD BOZEMAN, MT 59718	
0000A647F7	DEPT. OF HEALTH & HUMAN SVC 2677 PALMER MISSOULA, MT 59808	
0000EA0876	MONTANA BOARD OF HOUSING 836 FRONT ST HELENA, MT 59620	
0000EW4087	OFFICE OF INT'L PROGRAMS UNIV OF MONTANA #201 MISSOULA, MT 59812	
0000E36V62	MT FISH, WILDLIFE & PARKS 490 N MERIDIAN RD KALISPELL, MT 59901	
0000E5F792	DIVISION OF BIOLOGICAL SCIENCE 32 CAMPUS DR MISSOULA, MT 59812	
0000E91023	ROSEBUD COUNTY SHERIFF 180 S 13TH FORSYTH, MT 59327	
0000E91265	MONTANA SEEDLING NURSERY 2823 SPURGIN RD MISSOULA, MT 59804	
0000F462A8	DEPT OF PHYSICS 264 EPS BUILDING BOZEMAN, MT 59717	
0000F4621R	MT BOARD OF INVESTMENTS 2401 COLONIAL DR HELENA, MT 59601	
0000F46247	DEPT COMMERCE/TRAVEL MONTANA 301 S PARK AVE HELENA, MT 59601	
0000F46248	OFFICE OF PUBLIC INSTRUCTION 1227 11TH AVE HELENA, MT 59620	
0000F46262	THE MONTANA UNIVERSITY SYST 46 N LAST CHANCE GULCH HELENA, MT 59601	
0000F46264	LEGISLATIVE BRNCH AUDIT DIV 1301 E 6TH AVE HELENA, MT 59601	
0000F463V1	DEPT OF JUSTICE,ATTY GEN 215 N SANDERS ST HELENA, MT 59601	
0000F463V3	RISK MANAGEMENT & TORT DEF	

ACCOUNT	NAME AND ADDRESS	Commodity Tier **
	1625 11TH AVE HELENA, MT 59601	
0000F463V4	MONTANA STATE LIBRARY 1515 E 6TH AVE HELENA, MT 59601	
0000F463W4	DEQ / MONITORING & DATA MGMT 2209 PHOENIX AVE HELENA, MT 59601	
0000F463W7	MONTANA CONSUMER COUNSEL 616 HELENA AVE HELENA, MT 59601	
0000F46305	MONTANA STATE MICROBIOLOGY 109 LEWIS HALL BOZEMAN, MT 59717	
0000F46307	MEDIA & THEATRE ARTS VISUAL COMMUNICATIONS BLDG BOZEMAN, MT 59717	
0000F46308	MONTANA STATE MT HEALTH ED CTR 333 CULBERTSON HALL BOZEMAN, MT 59715	
0000F464R7	ADMISSIONS & NEW STUDENT N MONTANA AVE MISSOULA, MT 59812	
0000F464V3	PRINTING AND GRAPHICS UNIV OF MONTANA MISSOULA, MT 59812	
0000F464V4	UNIVERSITY OF MONTANA 115 BRANTLEY HALL MISSOULA, MT 59812	
0000F4640A	BROADCAST MEDIA CENTER/KUFM THE UNIV OF MT MISSOULA, MT 59812	
0000F4640E	INTERCOLLEGIATE ATHLETICS THE UNIV OF MT ADAMS CTR MISSOULA, MT 59812	
0000F4640R	GRIZ CARD CENTER UNIV OF MONTANA MISSOULA, MT 59812	
0000F4640V	DEPT.OF JUSTICE/NRDP 1301 E LOCKEY HELENA, MT 59601	
0000F46446	CHEMISTRY DEPT MSU 108 GAINES HALL BOZEMAN, MT 59717	
0000F4646A	DLI/BSD 301 S PARK AVE HELENA, MT 59601	
0000F46468	MONTANA STATE PSYCHOLOGY DEPT 304 TRAPHAGEN HALL BOZEMAN, MT 59717	
0000F46469	MONTANA STATE STUDENT HLTH SVC STUDENT UNION BUILDING BOZEMAN, MT 59717	
0000F4647E	MSU HEALTH & HUMAN DEVELOPMENT 218 HERRICK HALL BOZEMAN, MT 59717	
0000F4647W	MONTANA STATE CHEM ENG DEPT	

ACCOUNT	NAME AND ADDRESS	Commodity Tier **
	COBLEIGH HALL BOZEMAN, MT 59717	
0000F46470	CTR FOR BIOFILM ENGINEERING 366 EPS BLDG-MSU BOZEMAN, MT 59717	
0000F46471	MONTANA STATE DEPT OF MECH ENG 220 ROBERTS HALL BOZEMAN, MT 59717	
0000F465A6	PRINT AND MAIL SERVICES 920 FRONT ST HELENA, MT 59601	
0000F465E1	HEALTH & HUMAN DEPT MSU PE COMPLEX BOZEMAN, MT 59717	
0000F465E4	PLANT SCIENCE & PLANT PATH 119 PBB BOZEMAN, MT 59717	
0000F465E5	MONTANA STATE VET MOLECULR BIO 960 TECHNOLOGY BLVD BOZEMAN, MT 59718	
0000F465E6	MONTANA STATE DEPT OF EARTH SCI TRAPHAGEN HALL BOZEMAN, MT 59717	
0000F465E7	KUSM TV VISUAL COMMUNICATION BLDG BOZEMAN, MT 59717	
0000F465E8	MONTANA STATE MATH DEPT WILSON HALL BOZEMAN, MT 59717	
0000F465V7	ELECTRIAL ENGINEERING MT STATE UNIVERSITY BOZEMAN, MT 59717	
0000F465X4	STATE OF MT.DOA ITSD 125 N ROBERTS ST RM 25 HELENA, MT 59620	
0000F47157	MONTANA MFG EXTENTION CTR 2310 UNIVERSITY WAY BLDG-2 STE BOZEMAN, MT 59715	
0000F474R5	DEPT OF AGRICULTURE ADD 303 N ROBERTS HELENA, MT 59601	
0000F48419	MONTANA STATE AM IND RES OPP 312 ROBERTS HALL BOZEMAN, MT 59715	
0000F4848W	MONTANA PUBLIC SERVICE COMM 1701 PROSPECT AVE HELENA, MT 59601	
0000F6Y682	MADISON COUNTY 106 E. WALLACE VIRGINIA CITY, MT 59755	
0000RV5967	YELLOWSTONE COUNTY COURT HOUSE 217 N 27TH ST BILLINGS, MT 59101	
0000R03232	MSU SEED LAB MARSH LAB BOZEMAN, MT 59717	
0000R03234	MSU COLLEGE OF NURSING	

ACCOUNT	NAME AND ADDRESS	Commodity Tier **
	SHERRICK HALL BOZEMAN, MT 59717	
0000R03235	MSU CAMPUS STORES PHYSICAL PLANT BOZEMAN, MT 59717	
0000R03236	WESTERN MONTANA REGIONAL COMM FT MISSOULA BUILDING T-12 MISSOULA, MT 59804	
0000R04E24	MSU MUSIC DEPARTMENT 187 HOWARD HALL BOZEMAN, MT 59717	
0000R09069	MSU AUXILLARY SERVICES HEDGES COMPLEX BOZEMAN, MT 59715	
0000R173R3	MSU LAND RESOURCES & ENVIRON LEON JOHNSON HALL BOZEMAN, MT 59717	
0000R23927	MSU CIVIL ENGINEERING DEPT 205 COBLEIGH HALL BOZEMAN, MT 59717	
0000R2395F	MSU EXTENSION HOUSING 111 TAYLOR BOZEMAN, MT 59717	
0000R62137	MONTANA DEPT OF TRANSPORTATION 2100 W BROADWAY ST MISSOULA, MT 59808	
0000VW6387	DEPARTMENT OF REVENUE 125 N ROBERTS ST HELENA, MT 59601	
0000V5F626	DEPT OF HEALTH & HUMAN SVCS 1400 E BROADWAY ST HELENA, MT 59601	
0000V82844	MONTANA FISH WILDLIFE & PARKS 3201 SPURGIN RD MISSOULA, MT 59804	
0000V95456	MONTEC 1121 E BROADWAY ST MISSOULA, MT 59802	
0000X8712Y	STATE OF MT (DEPT. OF AG) 303 N ROBERTS HELENA, MT 59620	
0000YA2604	SAF OF MONTANA 2500 E BROADWAY HELENA, MT 59601	02
0000Y18028	DEPT OF JUSTICE DCI 303 N ROBERTS ST HELENA, MT 59601	
0000Y39V60	TETON CNTY HEALTH DEPT 905 4TH ST NW CHOTEAU, MT 59422	
0000Y4X051	MANSFIELD LIBRARY UNIVERSITY OF MONTANA MISSOULA, MT 59801	
0000Y45Y26	UNIVERSITY DINING SERVICES LOMMASSON CENTER 145 MISSOULA, MT 59812	
0000Y6A765	MONTANA STATE AUDITORS OFC	

ACCOUNT	NAME AND ADDRESS	Commodity Tier **
	840 HELENA AVE HELENA, MT 59601	
0000Y661R5	GALLATIN COUNTY 311 W MAIN ST BOZEMAN, MT 59715	
000001E9W0	DEPT OF TRANSPORTATION 2701 PROSPECT AVE HELENA, MT 59601	
000002AT04	BUREAU OF BUS & ECON RESEARCH UNIVERSITY OF MONTANA MISSOULA, MT 59812	
00001AE109	MISSOULA COUNTY EXTENSION AGT 2825 SANTA FE CT MISSOULA, MT 59808	
00001A76A7	FLATHEAD CO. SOLID WASTE 4098 US HWY 93 NORTH KALISPELL, MT 59901	
00001F5A49	RECREATION SOLUTIONS 200 E BROADWAY ST MISSOULA, MT 59807	01
00001VX939	MT STATE PUBLIC DEFENDER 44 W PARK ST BUTTE, MT 59701	
00001V0Y83	MT, RICHLAND COUNTY 201 W MAIN ST SIDNEY, MT 59270	
00001V0Y85	NW MT FAIR/FLATHEAD CO FAIR 265 N MERIDAN RD KALISPELL, MT 59901	
00001V0Y88	MT SHEIDAN CO SHERIFF'S OFFICE 100 W LAUREL AVE PLENTYWOOD, MT 59254	
00001V0Y90	MT JEFFERSON COUNTY SHERIFF 110 S WASHINGTON ST BOULDER, MT 59632	
00001V0Y92	MT VALLEY CO COMMISIONERS 501 COURT SQ GLASGOW, MT 59230	
00001XY390	MT COLUMBIA FALLS SCHOOL DIST 501 SIXTH AVE COLUMBIA FALLS, MT 59912	
00001X092R	MT FWP ALS 616 HELENA AVE HELENA, MT 59601	
000010E7Y0	MT DPHHS CFS REGION 1 708 PALMER ST MILES CITY, MT 59301	
000010E7Y2	MT DPHHS CFS REGION 2 2300 12TH AVE S GREAT FALLS, MT 59401	
000010E7Y4	MT DPHHS CFS REGION 3 2525 4TH AVE N BILLINGS, MT 59101	
000010E7Y9	MT DPHHS CFS REGION 4 316 N PARK AVE HELENA, MT 59601	
000010E70Y	MT DPHHS CFS STATE OFFICE	

ACCOUNT	NAME AND ADDRESS	Commodity Tier **
	1400 BROADWAY ST HELENA, MT 59601	
000013FW02	R. CO. PUBLIC WORKS 2140 W HOLLY ST SIDNEY, MT 59270	
000020A1F8	NEIGHBORHOOD HOUSING COUNCIL 509 1ST AVE S GREAT FALLS, MT 59401	
0000285Y0X	STILLWATER COUNTY 400 E 3RD AVE N COLUMBUS, MT 59019	
00002888XW	I T C BASEMENT OF RENEE LIBRARY BOZEMAN, MT 59717	
000033XW77	WESTERN AGRICULTURAL RES CTR 580 QUAST LN CORVALLIS, MT 59828	
000036EW65	STATE OF MONTANA DEPT OF TRANS US 12 & 191 HARLOWTON, MT 59036	
000037EW78	MONTANA STATE BOZEMAN ON CAMPUS RENNE LIBRARY BOZEMAN, MT 59717	
00004E0Y07	MT DPHHS HCS JANE DEMUTH 35 CEMETERY LN TOWNSEND, MT 59644	
00004F9829	MT DPHHS - RAVALLI CO OPA 310 N 3RD ST HAMILTON, MT 59840	
000044E5Y5	MONTANA STATE UNIVERSITY 207 MONTANA HALL BOZEMAN, MT 59717	
000046YV54	ROSEBUD COUNTY COMMISSIONERS 1200 MAIN ST FORSYTH, MT 59327	
00004814X2	STATE BAR OF MONTANA 7 W 6 AVE HELENA, MT 59601	
000056164X	DEPT. OF CORRECTIONS 219 5TH ST S GREAT FALLS, MT 59405	
000056320X	BOARD OF PARDONS 300 MARYLAND AVE DEER LODGE, MT 59722	
0000596017	CASCADE COUNTY OHS 201 1ST ST S GREAT FALLS, MT 59405	
0000596108	MUSEUM OF THE ROCKIES 600 W KAGY AVE BOZEMAN, MT 59717	
0000596138	FLATHEAD VALLEY COMM COLLEGE 777 GRANDVIEW DR KALISPELL, MT 59901	03
0000596159	MT DEPT OF FWP 1400 S 19TH AVE BOZEMAN, MT 59718	
0000596174	FORSYTH SCALE	

ACCOUNT	NAME AND ADDRESS	Commodity Tier **
	INTERSTATE 94 MP#98 FORSYTH, MT 59327	
0000596189	KALISPELL SCALE 10500 US HIGHWAY 2 KALISPELL, MT 59901	
0000596203	CLEARWATER SCALE GD GREENOUGH GREENOUGH, MT 59836	
0000596205	HAUGAN SCALE INTERSTATE 90 HAUGAN, MT 59842	
0000596206	MT STATE HOSPITAL ADMIN BLDG-PHARMACY WARMSPRINGS, MT 59756	
0000596207	TROY SCALE US HIGHWAY 2 TROY, MT 59935	
0000596213	HAVRE SCALE US HIGHWAY 87 W HAVRE, MT 59501	
0000596215	LIMA SCALE INTERSTATE 15 LIMA, MT 59739	
0000596246	BUTTE SCALE INTERSTATE 15 BUTTE, MT 59701	
0000596254	DRUMMOND SCALE 1 GENERAL DELIVERY DRUMMOND, MT 59832	
0000596261	LAUREL SCALE 3699 S FRONTAGE RD LAUREL, MT 59044	
0000596264	BILLINGS SCALE 468 INTERSTATE 90 BILLINGS, MT 59101	
0000596287	BOZEMAN SCALE US HIGHWAY 191 BOZEMAN, MT 59715	
0000596289	CROW WEIGH STATION INTERSTATE 90 CROW AGENCY, MT 59022	
0000596292	CULBERTSON SCALE US HIGHWAY 2 CULBERTSON, MT 59218	
0000597128	MSU CAMPUS POST OFFICE 103 CULBERTSON HALL BOZEMAN, MT 59715	
0000597176	TITLE & REGISTRATION 1032 BUCKSKIN DR DEER LODGE, MT 59722	
0000597335	SHODAIR HOSPITAL 2755 COLONIAL DR HELENA, MT 59601	
0000597339	ARMINGTON SCALE US HIGHWAY 87 BELT, MT 59412	
0000597341	DEPT COMMERCE TRAVEL PROMO	02



ACCOUNT	NAME AND ADDRESS	Commodity Tier **
	1400 N MONTANA HELENA, MT 59601	
0000597345	UNIVERSITY OF MONTANA CENT REC CAMPUS DR BLDG 32 MISSOULA, MT 59812	03
0000597350	WIBAUX SCALE INTERSTATE 94 WIBAUX, MT 59353	
0000597354	CIRCLE SCALE MONTANA HIGHWAY 200 CIRCLE, MT 59215	
0000597355	BROADUS SCALE US HIGHWAY 212 BROADUS, MT 59317	
0000597426	BEEZER'S WEST 3803 CENTRAL AVE BILLINGS, MT 59102	
0000597451	THE BOOKSTORE @ UNIV/MONTANA 5 CAMPUS DRIVE MISSOULA, MT 59801	03
0000597487	JACKETS & COMPANY 1500 UNIVERSITY DR BILLINGS, MT 59101	
0000597503	MT DPHHS 111 N SANDERS ST HELENA, MT 59601	02
0000597520	DEPT COMMERCE TRAVEL 301 S PARK AVE HELENA, MT 59601	
0000597652	STATE OF MONTANA MAIL SERVICES 920 FRONT ST HELENA, MT 59601	04
0000597939	MONTANA STATE PRISON 600 CONLEY LAKE RD DEER LODGE, MT 59722	
0000597964	M S U ' NORTHERN 300 13TH ST W HAVRE, MT 59501	
0000598161	ST OF MT DEPT OF JUSTICE 2679 PALMER ST MISSOULA, MT 59808	
0000598336	CENTRALIZED SERVICES 200 W BROADWAY ST MISSOULA, MT 59802	
0000598416	MONTANA STATE BOOK STORE INC 185 STUDENT UNION BLDG BOZEMAN, MT 59717	06
0000598798	MONTANA LEGISLATIVE SERVICES 1301 E 6TH AVE HELENA, MT 59601	02
0000598880	MONTANA TECH 1300 W PARK ST BUTTE, MT 59701	03
0000598995	DEPT OF LIVESTOCK 19TH LINCOLN RM 76 BOZEMAN, MT 59718	
0000599246	MT AERONAUTICS DIVISION	

ACCOUNT	NAME AND ADDRESS	Commodity Tier **
	2630 AIRPORT RD HELENA, MT 59601	
0000599274	MONTANA LOTTERY 2525 N MONTANA HELENA, MT 59601	
0000599386	DPHHS 220 E PARK ST LIVINGSTON, MT 59047	
0000599431	CENTRAL STORES BUREAU 930 E LYNDAL AVE HELENA, MT 59601	02
0000599546	DPHHS DISTRICT OFFICE 2675 PALMER ST MISSOULA, MT 59808	
0000599598	LINCOLN CTY HUMAN SVCS 117 COMMERCE WAY LIBBY, MT 59923	
0000599893	STATE LAW LIBRARY 215 N SANDERS ST HELENA, MT 59601	
0000599941	DPHHS/TERESA JONES 51597 US HWY 2 E HINSDALE, MT 59241	
00006018EW	HISTORICAL RESEARCH 125 BANK ST MISSOULA, MT 59802	
000063V690	JR ASSOCIATES LLC 1121 POPLAR ST MISSOULA, MT 59802	04
000068V358	WATER COURSE PROJECT WET 201 CULBERTSON HALL MSU BOZEMAN, MT 59717	01
000068V886	MONTANA DEPT OF CORRECTIONS 1539 11TH AVE HELENA, MT 59601	
00007Y6R66	POWDER RIVER COUNTY COURTHOUSE SQUARE BROADUS, MT 59317	
0000731Y0E	YELLOWSTONE CO SHERIFF 219 N 26TH ST BILLINGS, MT 59101	
000074W2A9	MT STATE VETERANS HOME 400 VETERANS DR COLUMBIA FALLS, MT 59912	
00008A0E43	MONTANA WORLD TRADE CENTER U OF M MISSOULA, MT 59812	
00008E8112	MONTANA FW&P REGULATIONS 930 W CUSTER AVE HELENA, MT 59602	02
00008E8430	MT DEVELOPMENT CENTER 310 E 4TH AVE BOULDER, MT 59632	
00008E8435	MONTANA ENVIRONMENTAL LAB 1170 N MERIDIAN RD KALISPELL, MT 59901	
00009E52V0	DESTINATION FINANCIAL SVCS,LLC	

ACCOUNT	NAME AND ADDRESS	Commodity Tier **
	323 W PINE ST MISSOULA, MT 59802	
00009R0A77	LEWIS & CLARK COUNTY ATTY 228 BROADWAY LOWER LEVEL HELENA, MT 59601	
00009V3829	DEPT OF CHEMICAL ENGINEERING 306 COBLEIGH HALL BOZEMAN, MT 59717	
00009V3832	DEPT OF COMPUTER SCIENCE 357 EPS BUILDING BOZEMAN, MT 59717	
00009V3835	BURNS TELECOM CENTER 128 EPS BUILDING BOZEMAN, MT 59717	
0000990W08	ST OF MT DEPT OF CORRECTION 509 MAIN ST MILES CITY, MT 59301	

\*If there is an account number for the same service included in another UPS agreement, such account number will be deemed deleted from such other agreement as of the effective date.

\*\* The commodity tier displayed is for Hundredweight outbound prepaid. For other Hundredweight Billing Options (third party, freight collect and consignee billing) please refer to the Hundredweight service contract agreement. The stated commodity tier supersedes applicable provisions in Section 2 of the Hundredweight Service Contract Agreement.

## Addendum B- Draft Incentives



All incentives contained in this Addendum B apply to the effective UPS rate at the time of shipment and shall be applied on a weekly basis unless otherwise specified.<sup>1</sup>

### Summary Level Deferred Tier

The Customer will receive an additional incentive off of gross transportation charges per the following schedule based on a 52 week rolling average of eligible packages tendered to UPS. The band determination is based on the cumulative gross transportation charges per week (excluding accessorials and surcharges, unless otherwise specified). The incentives will be administered on a quarterly basis. Within thirty (30) days after the end of the period, UPS will issue a single check to the Customer representing the total amount of the additional incentive(s) earned, if any.

Destination Country	Zone	Bands	Incentives	
United States	ALL	\$0.01 and up	1.0 %	Off Effective Rates

The following products will be included in determining the appropriate bands of the customer: Service(s) listed in Group(s) *All Small Package Freight* of the Committed Services section at the end of the Addendum B.

### Committed Services:

*All Small Package Freight:* The following service(s) will be used to determine the band of the customer: The following prepaid, freight collect, third party, consignee billing and return service transportation charges will be used to determine the customer's incentive levels: UPS Next Day Air Early AM Express Envelope and Package; Next Day Air Express Envelope, Package and Hundredweight; Next Day Air Saver Express Envelope, Package and Hundredweight; 2nd Day Air A.M. Commercial Express Envelope, Package and Hundredweight; 2nd Day Air Express Envelope, Package and Hundredweight; 3 Day Select Package and Hundredweight; Ground Package and Hundredweight; US Export Worldwide Express (Excluding 10 kg and 25 kg box); US Export Worldwide Saver (Excluding 10 kg and 25 kg box); US Export Worldwide Expedited; US Export World Ease; US Export Consolidated Clearance; UPS Standard to Canada.

1. Incentives are based on and derived from the most recently published list rates and adjusted periodically pursuant to the terms and conditions of the Carrier Agreement. Updated rate charts will be made available to Customer in January of subsequent contract years by contacting your UPS account executive.